
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2512 Session of
2020

INTRODUCED BY CIRESI, HILL-EVANS, MERSKI, WEBSTER, HOHENSTEIN,
BURGOS, SANCHEZ, FREEMAN, CALTAGIRONE, DELLOSO, ROZZI,
O'MARA, BRIGGS, WILLIAMS, McCLINTON, GALLOWAY, BOYLE, SAPPEY,
WARREN, SCHWEYER, DeLUCA, SHUSTERMAN, FRANKEL, DEASY,
RAVENSTAHL, LEE, MADDEN, ROEBUCK, STURLA, COMMITTA AND
KENYATTA, MAY 13, 2020

REFERRED TO COMMITTEE ON COMMERCE, MAY 13, 2020

AN ACT

1 Amending Title 12 (Commerce and Trade) of the Pennsylvania
2 Consolidated Statutes, in small business first, further
3 providing for definitions and for fund and accounts.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. The definition of "small business" in section
7 2302 of Title 12 of the Pennsylvania Consolidated Statutes is
8 amended and the section is amended by adding a definition to
9 read:

10 § 2302. Definitions.

11 The following words and phrases when used in this chapter
12 shall have the meanings given to them in this section unless the
13 context clearly indicates otherwise:

14 * * *

15 "COVID-19 disaster emergency." The emergency declared by
16 proclamation of the Governor on March 6, 2020, published at 50

1 Pa.B. 1644 (March 21, 2020), and any renewal of emergency.

2 * * *

3 "Small business." A person that is engaged in a for-profit
4 enterprise [and] that employs 100 or fewer individuals[.] or,
5 for the effective period of the COVID-19 disaster emergency, a
6 person engaged in a not-for-profit enterprise that employs more
7 than five but fewer than 101 individuals. The term includes the
8 following:

9 (1) An enterprise located in a small business incubator
10 facility.

11 (2) An agricultural processor.

12 (3) An agricultural producer.

13 (4) An enterprise which manufactures apparel products.

14 (5) An enterprise which is a for-profit or not-for-
15 profit child day-care center subject to licensure by the
16 Commonwealth.

17 (6) A not-for-profit enterprise that provides health-
18 related or any of the following services:

19 (i) domestic violence or rape crisis programs;

20 (ii) counseling services;

21 (iii) violence prevention services;

22 (iv) shelter for homeless individuals;

23 (v) the collection and distribution of food to
24 hunger-relief charities;

25 (vi) food, nutrition education and related services
26 to residents suffering from hunger and food insecurity in
27 the community served by the enterprise;

28 (vii) cultural activities;

29 (viii) adult literacy services; or

30 (ix) community and economic development.

1 (7) For the effective period of the COVID-19 disaster
2 emergency, an enterprise engaged in research and development.

3 * * *

4 Section 2. Section 2304 of Title 12 is amended by adding a
5 subsections to read:

6 § 2304. Fund and accounts.

7 * * *

8 (e) Requirements for research and development enterprises.--
9 The term of a loan made under this chapter to a small business
10 engaged in research and development may not include any of the
11 following requirements:

12 (1) That the small business maintain a minimum debt
13 service coverage ratio.

14 (2) That the small business provide a loan guarantee.

15 (f) Waiver and adjustment.--For the effective period of the
16 COVID-19 disaster emergency, the authority may enter into loan
17 agreements with eligible applicants as determined by the
18 authority. Subject to subsection (e), the authority is
19 authorized to waive or adjust loan requirements and terms,
20 including applicant eligibility criteria, loan amounts, interest
21 rates, collateral requirements, repayment periods and job
22 creation or preservation requirements, for small businesses
23 located in the geographic area specified in the proclamation
24 declaring the disaster. The authority may accept applications
25 directly from eligible applicants for loans and other financial
26 assistance.

27 (g) Funding.--The sum of \$100,000,000 is transferred from
28 the Budget Stabilization Reserve Fund under section 1701-A of
29 the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal
30 Code, to the authority for the program under this chapter.

1 Section 1703-A of The Fiscal Code does not apply to this
2 subsection.

3 Section 3. This act shall take effect immediately.